



Department of Justice

FOR IMMEDIATE RELEASE
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AT
(202) 616-2771
TDD (202) 514-1888

DOJ CHARGES CAJUN CHEMICAL INC. WITH CONSPIRING TO RIG BIDS ON JANITORIAL CHEMICAL CONTRACTS

WASHINGTON, D.C.-- A Louisiana janitorial chemical supply company was charged today by the Department of Justice with conspiring to rig bids and quotes for contracts to supply janitorial chemicals to the University of Southwestern Louisiana (USL).

The criminal case, filed in U.S. District Court for the Western District of Louisiana, charges Cajun Chemical Inc. of Opelousas, Louisiana with conspiring to rig bids and quotes on contracts to supply janitorial chemicals to USL from at least as early as 1990 until at least mid-1996.

Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division, said the case resulted from an investigation by a grand jury in Lafayette, Louisiana into suspected bid rigging in the janitorial chemical and supply industry.

According to the charges, the defendant and co-conspirators carried out the conspiracy by: discussing among themselves the submission of bids or quotes on contracts; agreeing on a designated low bidder and the prices to be contained within the bids or quotes; supplying janitorial chemicals to USL at noncompetitive prices and receiving payments for contracts that were awarded on the basis of collusive and rigged bids; and discussing among themselves the future allocation of janitorial chemical supply contracts at other colleges and universities located throughout the State of Louisiana.

The investigation, which is ongoing, is being conducted by the Antitrust Division's Dallas Field Office and the Federal Bureau of Investigation. This is the first case to be filed in the janitorial chemical and supply investigation.

The maximum penalty for a corporation convicted under the Sherman Act is a fine of \$10 million. The fine may be increased to twice the gain to the conspirators in the crime, or twice the loss suffered by the victims of the crime, if either of these amounts is greater than the statutory fine of \$10 million for corporations.

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